

Russian Government Proposes Extra \$10Bln to 'Stimulate' State Officials

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Anton Siluanov / Kremlin.ru

Russian civil servants could see a windfall of up to \$10 billion in the next three years under a budget proposal designed to "stimulate" government workers.

The potential spending increase comes at a sensitive time for President Vladimir Putin's administration, which is pushing through an unpopular proposal to raise the population's retirement age. State salaries have reportedly <u>jumped</u> since Putin announced his re-election bid late last year, with the average salary for federal civil servants being more than double that of the national average.

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The 2019–2021 draft budget proposed by the government sets aside an extra 630 billion rubles (\$9.5 billion) on "financial motivation" for state officials, according to the RBC news website.

The proposed sums for 2019 and 2020 are almost double the 200 billion rubles set in the existing budget law, RBC writes. A further 284.4 billion rubles is set aside as extra stimulus for bureaucrats in 2021 in the proposed plan, bringing the three-year total increase to 631.9 billion rubles.

Finance Minister Anton Siluanov said the "dismal situation with wages in regional offices" warranted the pay rise.

"A federal-level increase in material stimulus is also planned starting in 2020," he told reporters after a cabinet meeting on Thursday.

The Economic Development Ministry, Finance Ministry and Labor Ministry have until the end of 2018 to draft the civil servant wage hike legislation, RBC reports.

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